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中國大冶有色金屬礦業有限公司

China Daye Non-Ferrous Metals Mining Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 00661)

ANNOUNCEMENT PURSUANT TO RULE 13.09(1) OF THE LISTING RULES

This announcement is made by China Daye Non-Ferrous Metals Mining Limited (the “**Company**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Reference is made to the announcements dated 7 October 2011 (the “**First Announcement**”) and 6 December 2011 (the “**Second Announcement**”) issued by the Company in relation to the Mongolian Proceedings (as defined in the First Announcement). Unless otherwise specified, capitalized terms defined in the First Announcement shall have the same meanings when used herein.

As disclosed in the First Announcement, the Mongolian Arbitration Center issued an arbitral award in relation to the Mongolian Proceedings, pursuant to which the Mongolian Arbitration Center ruled that the mining right to the Aleinuer Mine had to be returned by Reservoir Moly to the Mongolian JV Partner. As disclosed in the Second Announcement, CRML has lodged an appeal to the Court of Appeal of Mongolia against such arbitral award, and received a written ruling on 1 December 2011 which annulled the arbitral award issued by the Mongolian Arbitration Center on the basis of procedural irregularities and directed the dispute to be re-heard by the Mongolian Arbitration Center.

On 18 May 2012, the Mongolian Arbitration Center issued a final written arbitral award after the re-hearing of the case, pursuant to which the Mongolian Arbitration Center ruled that the mining right to the Aleinuer Mine had to be returned by Reservoir Moly to the Mongolian JV Partner. No further appeal is possible under Mongolian law with respect to this decision of the Mongolian Arbitration Center.

As at the date of this announcement, the Aleinuer Mine has not yet commenced any commercial production, and the Company has not yet derived any revenue or profit from the Aleinuer Mine. In addition, in light of the possibility that the mining right to the Aleinuer Mine would be required to be returned by CRML to the Mongolian JV Partner, full impairment for such mining right in the amount of HK\$723.8 million has previously been made in the consolidated income statement of the Group for the year ended 31 December 2011, as disclosed in the Company's annual report for the year ended 31 December 2011 and the annual results announcement of the Company dated 30 March 2012. Therefore, the board of directors of the Company (the "**Board**") believes that the above-mentioned arbitral award given by the Mongolian Arbitration Center on 18 May 2012 would not have a further material adverse effect on the financial results of the Group going forward.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
China Daye Non-Ferrous Metals Mining Limited
Zhang Lin
Chairman

Hong Kong, 21 May 2012

As at the date of this announcement, the Board comprises five executive directors, namely Mr. Zhang Lin (Chairman of the Board), Mr. Long Zhong Sheng, Mr. Zhai Baojin, Mr. Tan Yaoyu and Mr. Wan Bi Qi; and three independent non-executive directors, namely Mr. Wang Qihong, Mr. Wang Guoqi and Mr. Qiu Guanzhou.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.